

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU**

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EDWARD W. LANCASTER,

**Index No.**

Plaintiff,

-against-

**VERIFIED COMPLAINT**

THE FREEPORT HOUSING AUTHORITY,  
NAUTILUS DEVELOPMENT CORP, and  
THE BOARD OF DIRECTORS OF THE  
FREEPORT HOUSING AUTHORITY,

Defendants.  
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Plaintiff, by his attorneys, **HIRSCH & HIRSCH, LLP**, complaining of the Defendants herein, respectfully sets forth and alleges as follows:

1. The Plaintiff is a resident of the County of Suffolk, residing at 181 Gibson Avenue, Brentwood, New York 11717.

2. Upon information and belief, at all times hereinafter mentioned, the defendant Freeport Housing Authority (hereinafter referred to as defendant "FHA") was and still is a not for profit entity created by the Incorporated Village of Freeport with principal offices located at 3 Buffalo Avenue, Freeport, New York 11520.

3. Upon information and belief, at all times hereinafter mentioned, the defendant Freeport Housing Authority (hereinafter referred to as defendant "FHA") was and still is managed and controlled by a Board of Directors, who are appointed by and serve at the pleasure of the Mayor and Board of the Village of Freeport, and all of their actions set forth herein were conducted within the County of Nassau, State of New York.

4. Upon information and belief, at all times hereinafter mentioned, the defendant Board of Directors of the Freeport Housing Authority (herein referred to as "FHA Board of Directors") had and has the obligation to direct the Authority to prepare accurate payroll records

for all Housing Authority employees as well as to insure prompt and full payment of wages, compensation and salary(s) to all Housing Authority employees.

5. Upon information and belief, at all times hereinafter mentioned, the defendant Nautilus Development Corp., (hereinafter referred to as defendant "Nautilus") was and still is a private, not-for profit organization created by the Freeport Housing Authority to own, operate, manage and control certain residential income properties within the Village, with offices located at Three Buffalo Avenue, Freeport, New York 11520.

6. Upon information and belief, at all times hereinafter mentioned, the defendant Board of Directors of the Freeport Housing Authority, also manages, controls and directs the activities and work of Nautilus and such members serve at the pleasure of the Mayor and Board of Trustees of the Village of Freeport.

7. At all times hereinafter mentioned, the plaintiff was an employee of the FHA, for a period of approximately thirteen (13) years, from February 2, 1998 to January 28, 2011.

8. At all times hereinafter mentioned, the plaintiff was an employee of Nautilus Development Corp.

#### **AS AND FOR A FIRST CAUSE OF ACTION**

9. Plaintiff repeats and reiterates, with the same force and effect, Paragraphs 1-8 of this Complaint.

10. On or about February 2, 1998 the plaintiff and FHA entered into a written agreement concerning, among other things, the plaintiff's ongoing compensation as Executive Director.

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11. The agreement was renewed on or about February 14, 2007.

12. Pursuant to said agreement, the plaintiff was and is entitled to accrued vacation, sick and personal days during his employment.

13. On or about February 1, 2011 plaintiff's contract ended, without renewal, and thus his employment as Executive Director came to an end.

14. Prior thereto, the FHA and the FHA Board of Directors required its payroll department to prepare a summary of any and all accrued vacation, sick and personal days owed to all of its employees, including plaintiff.

15. Upon information and belief, this payroll documentation was requested by the FHA Board in anticipation of plaintiff's departure as a multiyear employee.

16. Upon information and belief, said payroll documentation was provided to the FHA Board of Directors and a copy was provided to the plaintiff.

17. Based upon the payroll record(s) produced by the defendant's payroll department, the plaintiff is owed the sum of Thirty Seven Thousand Five Hundred Thirty and 18/100 (\$37,530.18) Dollars by the FHA.

18. To date, despite numerous demands the defendant FHA and its Board of Directors have willfully refused to tender such compensation to the plaintiff.

19. As a result, the defendant's FHA and the FHA Board of Directors are indebted to the plaintiff in the sum of Thirty Seven Thousand Five Hundred Thirty and 18/100 (\$37,530.18), plus interest from the past due date ("the retirement date") of February 1, 2011, which interest continues to accrue during this litigation.

**AS AND FOR A SECOND CAUSE OF ACTION**  
**AGAINST DEFENDANT FREEPORT HOUSING AUTHORITY**

20. Plaintiff repeats and reiterates, with the same force and effect, Paragraphs 1-18 of this Complaint.

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21. The written contract between the parties ("The Employment Agreement") at paragraph 6 thereof provides that, "Plaintiff shall be reimbursed any and/or all reasonable legal fees and costs as to any dispute under his contract should he prevail."

22. As a result, should it be determined that the plaintiff is owed any money whatsoever under his contract and that the defendants inappropriately failed to remit same, then in said event the plaintiff is entitled to an award of reasonable counsel fees.

23. To date, as a result of the protracted pre-litigation activity in this matter as well as this action, the plaintiff has tendered and spent the sum of Nine Thousand (\$9,000.00) Dollars in legal fees.

24. The plaintiff reasonably expects said amount(s) to increase during this litigation.

25. As a result, the plaintiff is entitled to additional recovery of a minimum of Nine Thousand (\$9,000.00) Dollars in legal fees, which sum is expected to increase over time.

26. In addition, pursuant to the terms of said contract, the plaintiff is also entitled to recover costs of this litigation which are reasonably expected to exceed an additional Five Thousand (\$5,000.00) Dollars, as depositions of a minimum of four parties and a trial are expected.

27. As a result, the plaintiff demands judgment in the sum to be determined by this honorable Court, but expected to be well in excess of Fourteen Thousand (\$14,000.00) Dollars.

#### **AS AND FOR A THIRD CAUSE OF ACTION**

28. Plaintiff repeats and reiterates, with the same force and effect, Paragraphs 1-17 of this Complaint.

29. The contract between the parties also states:

“That in addition to the salary the Authority shall provide the Executive Director the following:

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- a) A motor vehicle for his use, owned, registered and maintained by the Authority.
  - b) A major credit card to be used by the Executive Director for reasonable expenses incurred by the Executive Director when conducting Authority business.
  - c) Reimbursement of monies expended in traveling, transportation and gratuities in accordance with the present policy of the Authority.”

30. During the plaintiff's tenure as Executive Director of the FHA as well as President of Nautilus Development Corp, the plaintiff was provided a company credit card for use related to company business.

31. For every month during plaintiff's tenure that the said credit card existed the defendant FHA and/or Nautilus paid the business charge(s) which accrued for said card.

32. Upon the non-renewal of plaintiff's employment contract the defendant's willfully, maliciously and/or intentionally **ceased paying the past due charges related to said credit card.**

33. All of the outstanding charges and fees relate solely to proper business use.

34. The card was kept in the plaintiff's personal name and as such the plaintiff is being personally dunned by the credit card company, all of which is wrongfully affecting his credit.

35. The current outstanding indebtedness for said business credit card is Three Thousand Nine Hundred Twenty Two and 54/100 (\$3,922.54) Dollars.

36. As a result, the defendants are indebted to the plaintiff in the sum of Three Thousand Nine Hundred Twenty Two and 54/100 (\$3,922.54) Dollars, or in the alternative the defendants are indebted to the credit card company for such amount.

37. As a result of the defendants' willful failure to pay these bills, interest continues to accrue at an accelerated rate.

~~38. As a result, the defendants are liable to the plaintiff or the credit card company for~~  
the principal of any and all accrued interest, late fees and penalties.

**AS AND FOR A FOURTH CAUSE OF ACTION**

39. Plaintiff repeats and reiterates, with the same force and effect, Paragraphs 1-36 of this complaint.

40. As a direct result of the defendants' failure to pay the credit card bill the defendant has suffered and continues to suffer in his credit rating.

41. As a result, should it be determined that the defendants have willfully and without just cause failed to remit such payment, then the plaintiff asks this Court to additionally compensate the plaintiff in a sum not less than the final outstanding balance plus all accrued interest and fees as and for punitive damages against the defendants for their unconscionable behavior

**AS AND FOR A CAUSE OF ACTION  
AGAINST DEFENDANT NAUTILUS DEVELOPMENT CORP**

42. Plaintiff repeats and reiterates, with the same force and effect, Paragraphs 1-39 of this Complaint.

43. For the period of July 2009 through December 2010, the plaintiff performed separate services to defendant Nautilus, which services were necessary to the success of Nautilus and its several programs and all of which were approved by the Board.

44. The plaintiff provided in excess of 200 hours of management services to Nautilus outside of his duties as Executive Director of FHA.

45. The plaintiff was never compensated for those services.

46. ~~Plaintiff's normal customary and agreed hourly rate for such services was Sixty~~

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Eight and 68/100 (\$68.68) Dollars per hour.

47. As a result, the defendant Nautilus is indebted to the plaintiff in the minimum sum of Thirteen Thousand Seven Hundred Thirty Six (\$13,736.00) Dollars.

**WHEREFORE**, Plaintiff respectfully requests judgment against defendants, as follows:

In the First Cause of Action, the sum of Thirty Seven Thousand Five Hundred Thirty and 18/100 (\$37,530.18) Dollars;

In the Second Cause of Action, the sum of Fourteen Thousand (\$14,000.00) Dollars;

In the Third Cause of Action, the sum of Three Thousand Nine Hundred Twenty Two and 54/100 (\$3,922.54) Dollars;

In the Fourth Cause of Action, the sum of Three Thousand Nine Hundred Twenty Two and 54/100 (\$3,922.54) Dollars, as punitive damages; and


In the Fifth Cause of Action, the sum of Thirteen Thousand Seven Hundred Thirty Six (\$13,736.00) Dollars.

**WHEREFORE**, Plaintiff demands judgment against defendants in each of the causes of action herein in an amount(s) exceeding all lower Court jurisdictions with final amounts to be determined herein.

Dated: Hempstead, New York  
June 3, 2011

Yours, etc.,

**HIRSCH & HIRSCH, LLP**

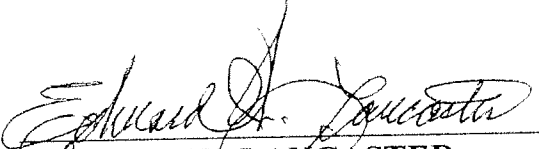
By:   
**Scott Hirsch, Esq.**  
*Attorneys for Plaintiff*  
64 Hilton Avenue  
Hempstead, New York 11550  
(516) 486-8500

INDIVIDUAL VERIFICATION

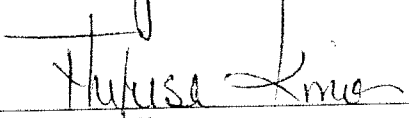
STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NASSAU )

I, EDWARD W. LANCASTER, depose and say:

I am a Plaintiff in the within action; I have read the annexed **Complaint** and know the contents thereof; the same is true to my own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters I believe it to be true.

  
EDWARD W. LANCASTER

Sworn to before me this 3<sup>rd</sup>  
day of June, 2011.

  
Notary Public

THERESA KINO  
Notary Public, State of New York  
No. 30-4733449  
Qualified in Nassau County  
Commission Expires September 30, 2013